

FISCAL IMPACT STATEMENT ON BILL NO. **S238**

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TO:	The Honorable Hugh Leatherman, Chairman, Senate Finance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Allan Kincaid		
DATE:	February 13, 2007	SBD:	2007045

AUTHOR:	Senator Ryberg	PRIMARY CODE CITE:	9-1-1510
SUBJECT:	S.C. Retirement System - 30 Years		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

The proposed Bill amends several sections of the Code of Laws of South Carolina, 1976, relating to the South Carolina Retirement System so as to increase from twenty-eight years to thirty years the service credit required for a member to retire at any age without a reduction in benefits.

EXPLANATION OF IMPACT:

A preliminary review of this Bill by the State Retirement System and its actuary indicates there would be a reduction in the amortization period of 3.7 years and the accrued unfunded liability would be decreased by \$457 million. This preliminary review is based on the July 1, 2005 actuarial evaluation, which also included the July 1, 2006 COLA, the additional impact of the Layman case court decision and the scheduled increase to employer and employee contribution rates.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

This impact statement does not consider any costs of litigation which may arise from the passage of this Bill resulting from a member or a class of members filing a lawsuit claiming a violation of some constitutional or state statutorily created right.

Approved by:



Don Addy
Assistant Director, Office of State Budget